

Press release

Al is leading the way for more efficient and resilient supply chains in Canada

SCALE AI announces \$25 million for 6 AI projects

Montreal, November 14, 2022 — Today, SCALE AI, Canada's AI Global Innovation Cluster, announced \$25 million in investments to support six AI projects in key areas. From developing supply chain intelligence platforms for SMEs, to optimizing continuity of care, making workforce decisions, and supporting planning, each of these projects demonstrates the important contribution AI can make to creating more efficient and resilient supply chains in Canada. AI has become a critical link in addressing economic challenges such as labour shortages and supply chain disruptions, as well as helping to improve our environmental performance by optimizing production and transportation.

The Honourable François-Philippe Champagne, Canada's Minister of Innovation, Science and Industry, says: "Canadian AI is essential to improving global supply chains. Our government is proud to invest in SCALE AI and its partners to make supply chains more resilient and efficient. It's great to see this work helping to create more high-quality jobs for Canadians and accelerate our economic recovery."

Annie Koutrakis, Parliamentary Secretary to the Minister of Transport, notes: "Innovation is key to improving Canada's economic performance, including helping to create more efficient supply chains. That's why I am delighted to highlight the important work being done by SCALE AI and its partners in these projects."

Julien Billot, CEO, SCALE AI, explains: "By strengthening collaborations between all industry players, we have contributed to the interactions between AI labs, AI product and service providers and companies that drive innovations and their implementation on the field. We have a significant portfolio of projects that reflects the unique dynamics of our ecosystem, as new players act as important drivers in the development of new AI solutions."

Hélène Desmarais, Co-Chair of the Board of Directors, SCALE AI, adds: "SCALE AI is working, in partnership with the entire ecosystem, to continue the development of AI in Canada and accelerate its integration into Canadian businesses. Our successes at home are also capturing global attention, showcasing Canadian talent and capabilities to answer today's economic, technological, and logistical challenges. SCALE AI investments generate economic and environmental benefits as they help create more innovative and efficient supply chains."

6 projects representing investments of \$25 million

| → Ancillary revenue management platform Partners: Plusgrade, Air Canada SCALE AI investment: \$2.3 million Total investment: \$5.2 million | Plusgrade, a leading ancillary revenue platform for the global travel industry, is looking to leverage an Al-powered solution to provide a suite of indicators, predictions and recommendations that will boost passenger engagement, reduce perishable inventory, and maximize the value of offers and overall revenues. Ken Harris, Founder and CEO of Plusgrade: "For over a decade, Plusgrade has been leveraging its data to provide best-practice, demonstrable expertise and invaluable insights to our global community of travel partners. Now, we are building even further on these practices with automated recommendations and optimizations that will ensure our partners will benefit from higher revenue yields, more share of wallet capture, and a host of other bottom-line benefits—all with a lens on driving incredible traveller experiences." |
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| → Improving Price Efficiency through AI-based Pricing and Costing Partners: Day & Ross, Deloitte, MoovAl, Gardewine Group, Freightcom Inc. Scale AI investment: \$1.9 million Total investment: \$4.8 million | Day & Ross' Al-based solution focuses on improving the transportation sector systems and processes used to manage the pricing and costing of shipments. The Al-driven decision support tool is being developed to help their analysts more easily segment customers, provide insights on customers with similar attributes, and build contracted customer tariffs more effectively. Further automation of the process includes an Al- based solution for spot quote generation. This will automate the creation of quoted rates allowing Day & Ross to improve the customer experience. All of these efforts will lead to increased efficiency of both internal processes as well as higher utilization of the transportation network. Jeff Schnarr, Chief Information Officer, Day & Ross: "Adopting technology to drive efficiencies in our business and to better serve our customers is vital to our growth. Embedding Al into our business solutions is a strategic decision that increases the velocity of our business, delivers an enhanced customer experience and turns into a competitive advantage." |
| → Demand Forecasting and Supply Matching to Optimize Continuity of Care Partners: Saint Elizabeth Health, Deloitte, Markitech, Plotly, Manifold Data Mining Scale Al investment: \$1.8 million Total investment: \$6 million | SE Health aims to find solutions to healthcare system workforce challenges by collaborating with industry partners with AI and supply chain expertise. AI solutions will be developed to overcome barriers in the current resource planning and coordination processes. Three interdependent solutions will be designed to resolve these challenges, including patient demand forecasting, regional resource optimization and matching patients to qualified staff. Jennifer Hayward, VP Business Transformation, SE Health: "As a social enterprise focused on delivering the best client care, we want to maximize our service delivery especially when home care needs are higher than the capacity of the healthcare system. Our goal is to improve our client and staff experience while maintaining exceptional quality and safe care. This innovative tool will help to manage critical and scarce healthcare resources by addressing the supply-demand discrepancy and optimally distributing our workforce to recruit and retain the right people to further enable delivering personalized holistic life care. The project leverages AI and machine learning to develop leading-edge workforce management tools to improve productivity and resource management. We are excited about how this tool will help SE transform care!" |

| → Workforce decisions and planning support using AI Partners: Maritime Employers Association, Airudi, Polytechnique of Montreal, HEC Montréal Scale AI investment: \$1.5 million Total investment: \$3.1 million | The Maritime Employers Association is looking for a new tool to optimize the constantly varying daily workload that depends on port traffic and the quantity and type of cargo and merchandise. The Galileo project will use AI solutions that allow for more accurate labour requirement estimates and complement the Port of Montréal's projects by providing unprecedented supply chain visibility. This new tool makes it possible to accurately predict the arrival time of ships up to 21 days in advance, improving the performance and increasing fluidity at the Port of Montréal. Robert Roy, President, Maritime Employers Association: "When I started at the MEA as Vice-President, Information Systems, I realized that there were no technological solutions for providing ship arrival times, real- time data, or ship loading and unloading forecasts. I immediately seized on the opportunity with my team. That's how the Galileo project was born. Finally, an AI tool to assist the maritime industry's logistics experts." |
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| → Supply Chain Intelligence Platform for SMEs Partners: FreshBooks, MiSCAN Lab (McMaster University), Oligomaster, BeneComm Inc Scale Al investment: \$1 million Total investment: \$2.8 million | FreshBooks, a provider of online accounting software for business owners and accountants, is developing a proprietary health score for their users that models financial metrics to include and reflect the risk in an SME's entire network. The project will develop predictive models around supply chain network risk. The AI solutions will allow SME users to understand better their supply chain health through a single score. Mara Reiff, Chief Data Officer, FreshBooks: "Supply chain networks are complex, and present a web of regionalized data that is dynamic and challenging to organize and interpret without extensive expertise and resources. This project leverages artificial intelligence and machine learning to develop cutting-edge tools that help SMEs across industries use data to understand and measure the health and risk in their supply chains." |
| → Trade Promo Optimization Partners: Larus Technologies, Unilever, Federated Coop, Theory + Practice, SOSCIP Scale Al investment: \$0.8 million Total investment: \$2.6 million | The project, led by renowned artificial intelligence (AI)/machine learning (ML) product and service provider Larus Technologies, aims to integrate ML insights to analyze and predict market trends. The project is enabled by Unilever, a leading worldwide supplier, looking to create promotional spending efficiency. The joint business planning process is being done in conjunction with Federated Co- operatives Limited (FCL), which is providing the business expertise from a retailer standpoint. Dr. Rami Abielmona, VP Research & Engineering, Larus Technologies: "We are aiming to increase the effectiveness of promotion investments and competitive growth for the broader CPG ecosystem. Through this Scale AI investment, we will be providing great value to users who will benefit from strategic planning of promotional events in the short and long term." Gary Bogdani, Head of Data & Analytics, Unilever Canada: "Unilever Canada is committed to continuing to invest in building and scaling AI/ML innovation across the business. These types of AI/ML solutions, built and developed by Unilever Canada's D&A team in collaboration with Larus, continue to unlock business value as Unilever Canada pivots to address the industry's growing challenges." |

About Scale AI (<u>scaleai.ca</u>)

As Canada's AI Global Innovation Cluster, Scale AI acts as an investment and innovation hub that accelerates the rapid adoption and integration of artificial intelligence (AI) and contributes to developing a world-class Canadian AI ecosystem. Based in Montreal and funded by the federal government and the Québec government, Scale AI works with nearly 500 industry partners, research institutes, and other players in the field of AI. The organization develops programs to support investments in companies that implement real-world applications of AI and encourage the emergence of future Canadian flagships in the sector, all while facilitating the development of a skilled workforce.

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